



# COVID-19:

## TRACKING U.S. CONSUMER AND AUTOMOTIVE DEALER SENTIMENT

*Issue #18*

September 22, 2020

# What We're Seeing This Week

# 1

Consumer concern over COVID-19 has decreased to its lowest level since March. The shift is driven, at least in part, by the seemingly endless string of major headlines competing for mindshare and a general sense of “COVID fatigue” among consumers.

# 2

Although the automotive market has seen a strong recovery from the COVID-19 driven shutdowns, it remains soft. Inventory shortages and high prices are contributing to fewer in-market shoppers and purchase delays. As we move into a lull between summer and holiday travel, we also see an uptick in service delays.

# 3

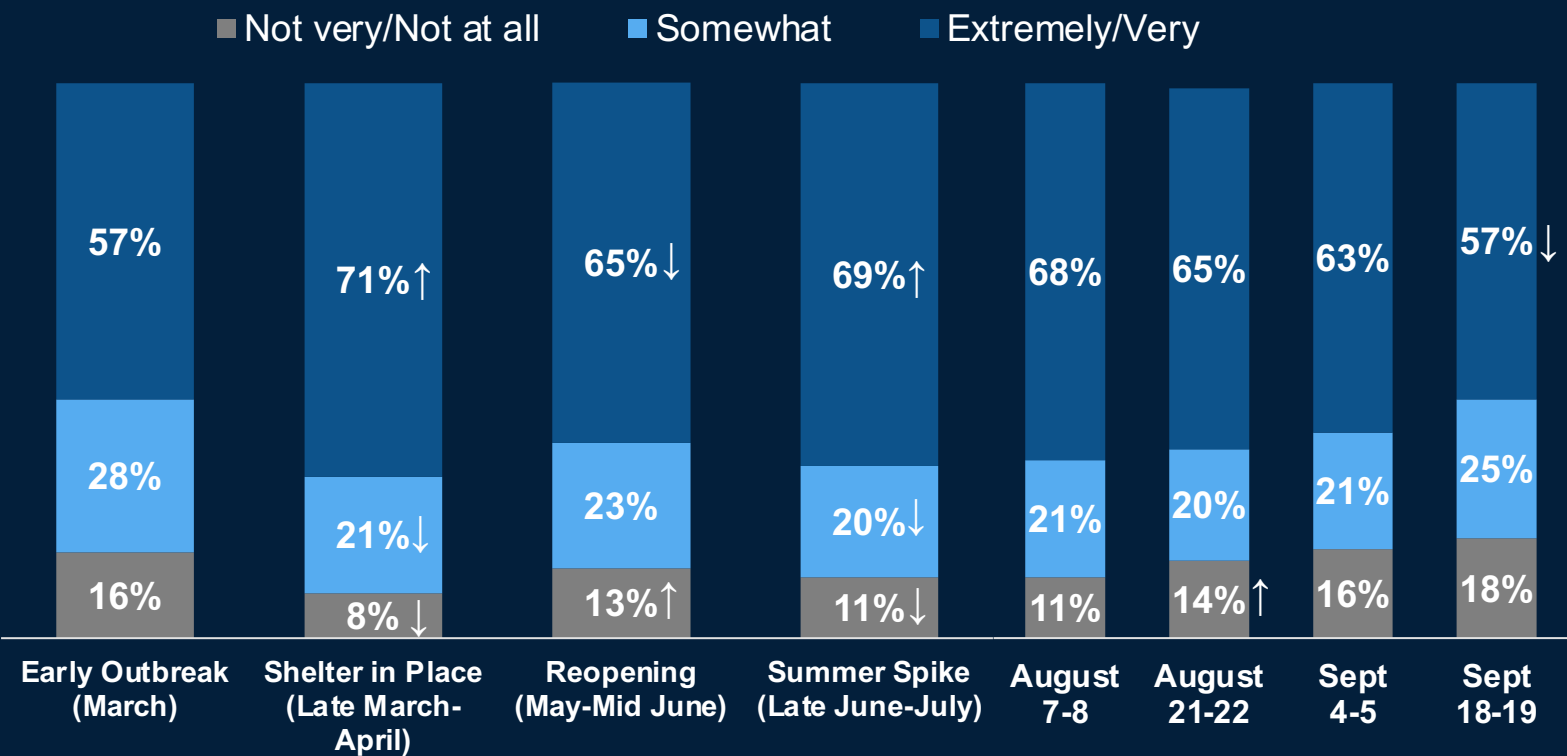
Opportunities exist for dealers and consumers to find the rare win-win scenario. Digital retailing and service pick-up and delivery offer both sides an opportunity for greater efficiency. Service pick-up and delivery also holds potential as a new revenue stream.

# 4

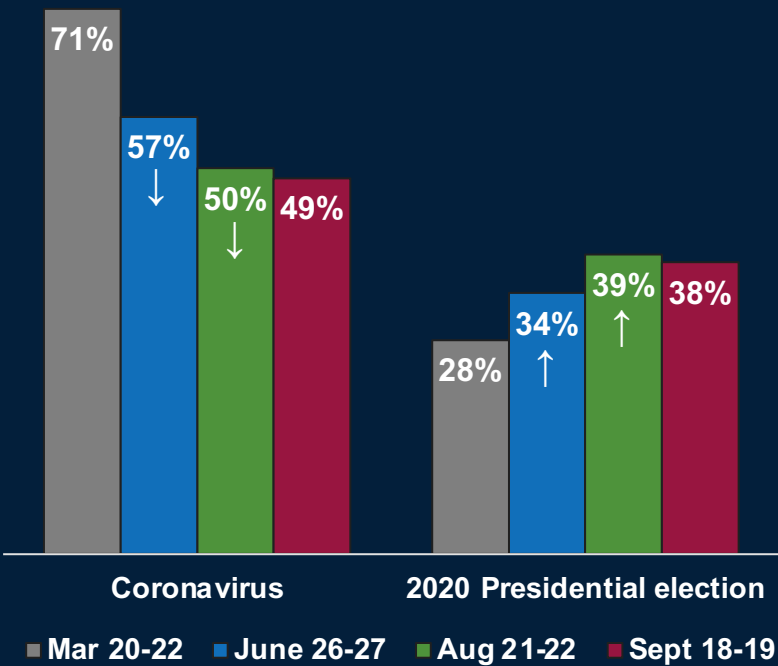
A lot of things have changed during COVID-19. Some will stay and become the new norm, while others fade away as quickly as they appeared. We offer a few dealer and consumer perspectives on transportation and ecommerce.

Consumers have been less concerned about COVID-19 in recent weeks, with their second most pressing concern being the Presidential election

Consumer Level of Concern over COVID



Top Concerns Overall



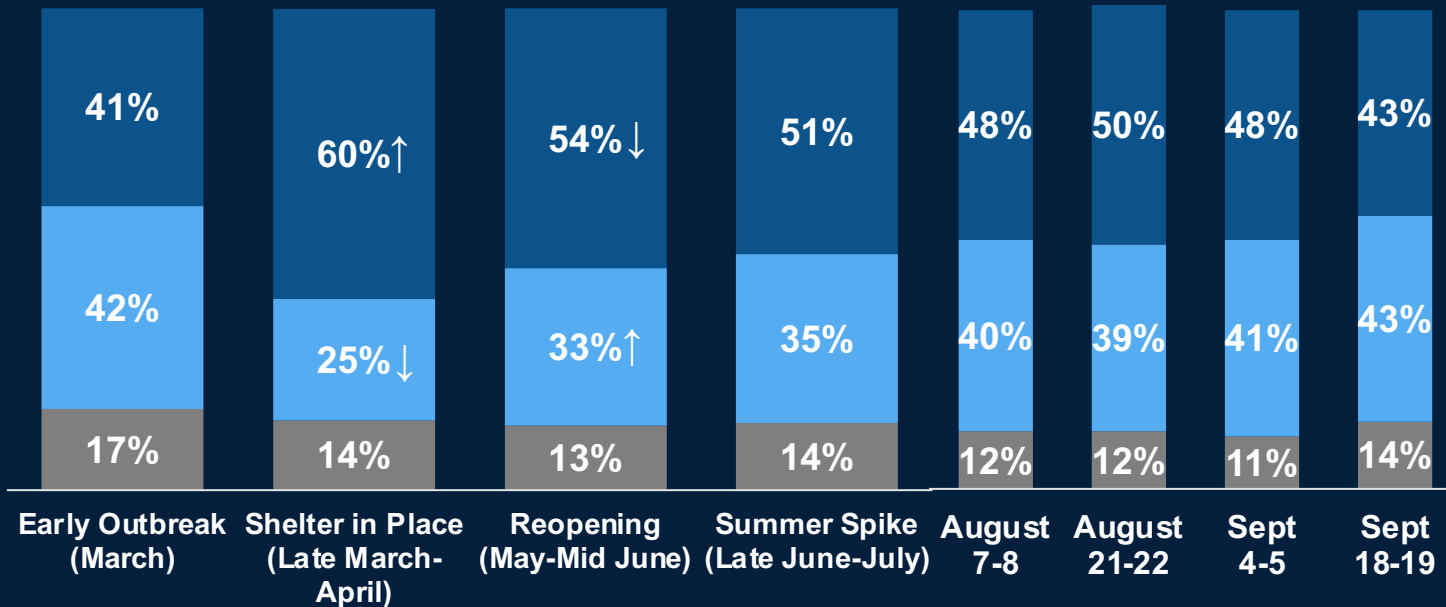
↑↓ Indicates significant difference since last wave, (##) indicates score from last wave when change is significant  
Q9. How concerned are you about the coronavirus overall?  
Q7. Which, if any, of the following issues currently concern you the most? Please select up to 3.

# Shoppers are becoming less apprehensive about visiting a dealership in-person

## Impact on Likelihood to Visit the Dealership

(among 6-month auto intenders)

■ Not sure    ■ No impact    ■ Much/Somewhat less likely



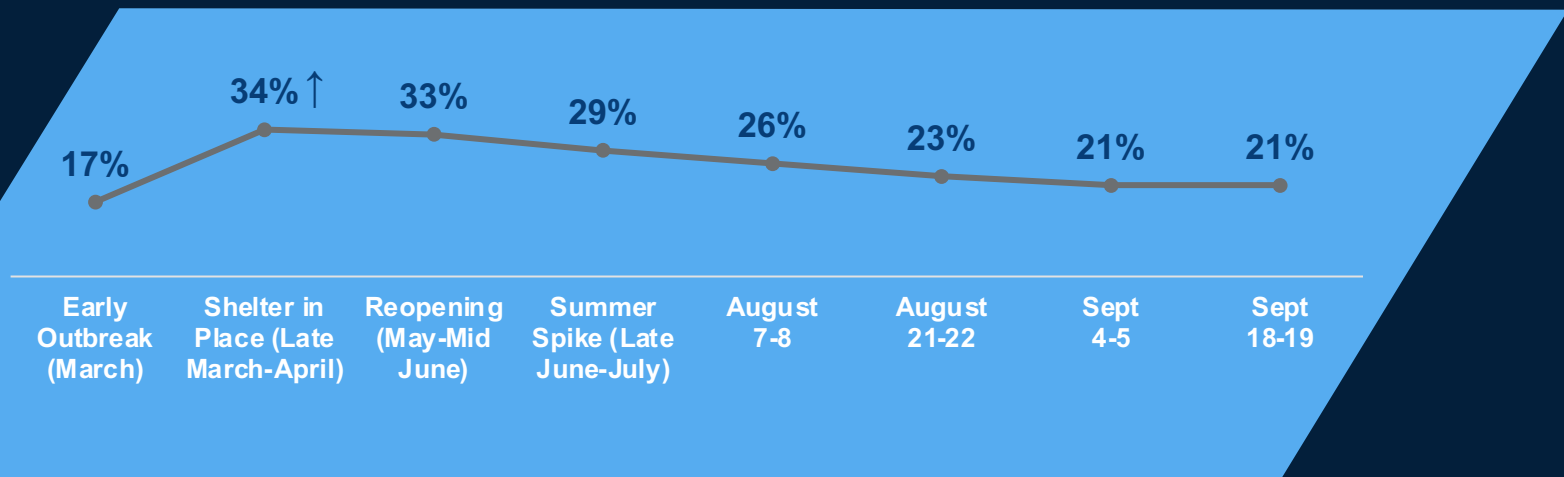
# 93%

of dealers say they are encouraging a social distancing policy at their dealership

Consumer Q15. How, if at all, would the spread of coronavirus impact your likelihood to visit a car dealership in-person?  
Dealer Q152. Is your dealership encouraging a social distancing policy of 6 feet?

However, purchase delays remain for 1 in 5 shoppers driven by cost and financial concerns

### Delaying Vehicle Purchase/Lease\*



### Top reasons for delaying purchase (top 2)\*

Concerned about cost/financial situation	34%
Concern about having contact with people	20%
Not driving as many miles as usual/don't need a vehicle now	20%
Waiting to see if federal government will provide a second stimulus check	18%
Prefer to stay home/social distancing	16%
Waiting to see if I can get a better deal or special incentive	16%

Q10. Have you done, or do you think you will do any of the following because of the coronavirus? \*Note: Added "have done" in Wave 4  
Q17a3. You said you may delay purchasing/leasing a vehicle due to coronavirus. What are the main reasons? Please select up to 2 of the main reasons.

\*Among 6-month auto intenders



# The number of in-market shoppers continues to trend lower since the start of COVID-19

% OF CONSUMERS IN-MARKET TO PURCHASE A VEHICLE  
WITHIN THE NEXT 6 MONTHS

20%

Early Outbreak  
(March)

20%

Shelter in Place  
(Late March - April)

17%↓

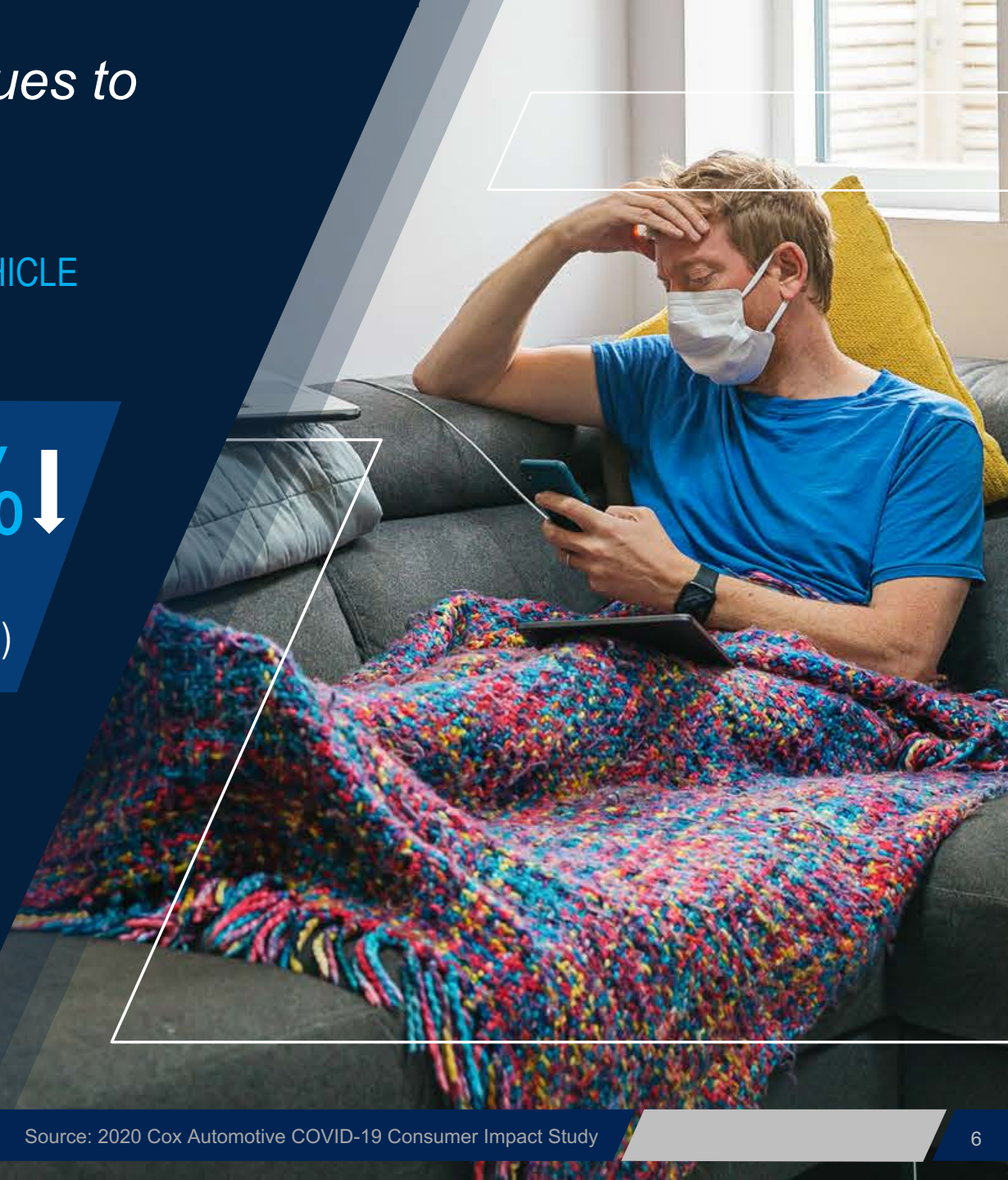
Reopening  
(May – Mid June)

16%

Summer Spike  
(Late June-July)

14%

(September 18-19)



Q4. Now as of today, when do you think you will be in the market to purchase or lease a vehicle?

# Online shopping has boomed for all sectors during COVID-19 and automotive is no different



47% of COVID-19 buyers did more steps online than in the past, however....\*\*

60%

of shoppers want to do more of the purchase steps online compared to the last time they purchased a vehicle\*

*"I think it would really streamline the process. I would prefer to do everything online, so I don't have to talk with a real person all day at the dealership."*

*"Saves time, increases accuracy as I can look up any info requested especially in the finance area."*

Q19c3. The next time you purchase a vehicle, how many steps would you want to complete online (such as getting a trade-in value, applying for credit, etc.) compared to the last time you purchased a vehicle?  
Q11b. How many steps in your recent vehicle purchase did you complete online compared to the last time you purchased a vehicle (such as getting a trade-in value, applying for credit, etc.)?

\*Among 6-month auto intenders who have purchased a vehicle before  
\*\* Among those who have purchased a vehicle since mid-March

# Digital Retailing is a win for both dealers and consumers, driving efficiency for everyone

Top reasons dealers are keeping their digital retailing solution:

- 1. Allows my dealership to be more efficient
- 2. Great experience for our customers
- 3. Something our customers will want long-term
- 4. It is part of our long-term strategy
- 5. Attracts new customers we wouldn't normally acquire
- 6. Provides competitive advantage over other dealerships
- 7. Increases revenue per customer

*How does Digital Retailing make you more efficient?*

Customers spend less time at the dealership	78%
Reduces the time dealership staff spends completing a deal	59%
Reduces the number of steps to complete the deal	50%
Reduces number of personnel needed to complete a deal	38%

Q147. You indicated you do plan to keep your digital retailing solution. Please tell us why.

Q15\_4. Can you tell us how digital retailing makes your dealership more efficient?

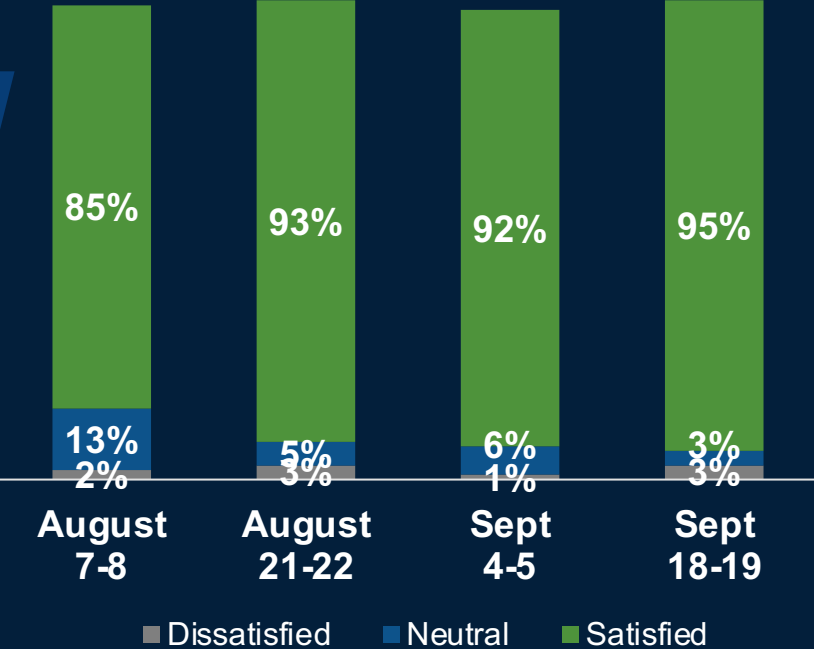


# Consumers love the convenience of service pick-up and delivery...

19%

of owners who had their vehicle serviced since COVID have used service pick-up and delivery

Satisfaction with Service Pick-up and Delivery\*



“Great experience.”

“It was fast and friendly”

“This [saved] me time and effort.”

“It was amazing and unique.”

“It was a fun experience especially during this social distance issue.”

Q18a9. When you recently had your vehicle serviced by a dealership, did you use any of the following options/services if the dealership offered them?      \*Among vehicle owners who have used

Q18a9a. How satisfied were you with using this service?

Q18a9b. How could your experience with having the dealership pick up the vehicle at your home, take it in for service/maintenance, then deliver back to your home have been improved, if at all?

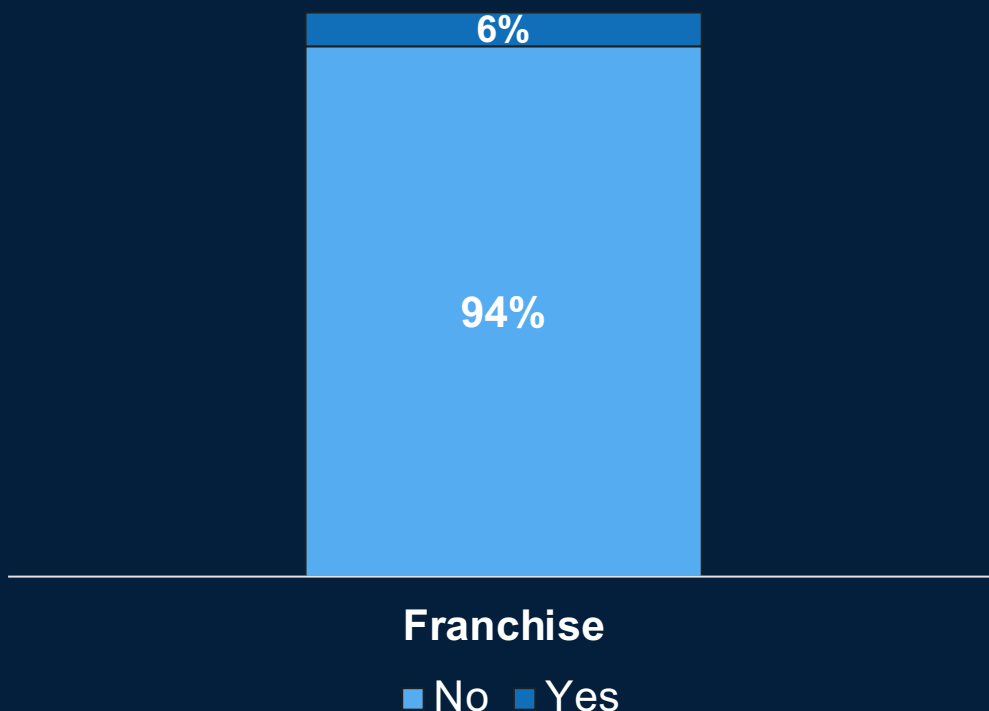
...although dealer adoption lags significantly behind




↓↑ Indicates significant difference since last wave, (##) indicates score from last wave when change is significant  
Q30. How, if at all, is your dealership currently servicing vehicles?

*It seems clear that dealers have the opportunity to monetize the service...*

**Are you charging customers for service pick-up and delivery?**  
(among dealers providing service pick-up and delivery)



**47%** of vehicle owners are likely to pay \$20 for service pick-up and delivery

 Indicates significant difference between \$20 & \$40

Dealer Q158. You indicated that you are providing vehicle service pick-up and delivery at a customer's home. Are you currently charging your customers for this service?  
Consumer Q18b2. In the near future, how likely would you be to pay [\$20/\$40] for the option to have a dealership pick up your vehicle at your home, take it in for service/maintenance, then deliver it back to your home?

# 2020 Cox Automotive COVID-19 Consumer & Dealer Impact Studies

We surveyed a nationally representative sample of US consumers ages 18+ during the following timeframes:

- Wave 19: September 18-19, 2020 (n=1,000)
- Wave 18: September 4-5, 2020 (n=1,000)
- Wave 17: August 21-22, 2020 (n=1,000)
- Wave 16: August 7-8, 2020 (n=1,000)
- Waves 13-15 (Summer Spike): June 26-July 25, 2020 (n=3,000)
- Waves 9-12 (Reopening): May 1-June 13, 2020 (n=4,000)
- Waves 4-8 (Shelter in Place): March 27-April 25, 2020 (n=5,000)
- Waves 1-3 (Early Outbreak): March 5-22, 2020 (n=2,999)

We surveyed a sample of automotive dealers about their general level of concern:

- |  |  |  |
|--|--|--|
| • Wave 15: September 14-18, 2020 (n=812) | • Wave 10: June 8-12, 2020 (n=700)     | • Wave 5: April 15-17, 2020 (n=691)  |
| • Wave 14: August 17-21, 2020 (n=740)    | • Wave 9: May 26-29, 2020 (n=470)      | • Wave 4: April 8-10, 2020 (n=763) (Note: methodology changed from wave 3 to wave 4) |
| • Wave 13: July 20-24, 2020 (n=794)      | • Wave 8: May 11-15, 2020 (n=555)      | • Wave 3: April 1-3, 2020 (n=331)  |
| • Wave 12: July 6-10, 2020 (n=782)       | • Wave 7: April 29-May 1, 2020 (n=648) | • Wave 2: March 25-27, 2020 (n=339)  |
| • Wave 11: June 22-26, 2020 (n=725)      | • Wave 6: April 22-24, 2020 (n=642)    | • Wave 1: March 18-20, 2020 (n=348)  |

We also surveyed a sample of automotive dealers who use digital retailing asking how digital retailing is being impacted:

- Wave 2: April 8-10 (n=151), Wave 1: March 25-27, 2020 (n=124)

Prior to the full-scale survey among automotive dealers, we polled a sample of automotive dealers during the following timeframes to understand their level of concern on how the virus will impact their dealership:

- Wave 2: March 16-17, 2020 (n=322), Wave 1: March 5-11, 2020 (n=343)

The objective of this research was to understand the impact of Coronavirus (COVID-19) on US Consumers & Dealer attitudes and behaviors:

- |  |   |
|--|---|
| • Awareness & Familiarity of COVID-19                | • Impact on Current Auto Shoppers & Commuters |
| • Level of Concern over COVID-19                     | • Actions to Mitigate Any Negative Impact     |
| • Impact on Everyday Behaviors & Business Operations |   |





**For more information or if you are interested  
in obtaining the full study results, contact:**

Dara Hailes  
Manager, Public Relations  
Cox Automotive  
[dara.hailes@coxautoinc.com](mailto:dara.hailes@coxautoinc.com)

Mark Schirmer  
Director, Public Relations  
Cox Automotive  
[mark.schirmer@coxautoinc.com](mailto:mark.schirmer@coxautoinc.com)